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STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER TWO

BETWEEN THE
UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF AFGHANISTAN

FOR

THE STRATEGIC OBJECTIVE OF A BETTER EDUCATED AND HEALTHIER POPULATION

Dated as of: April _____, 2006

APPN: BPC:

RCN:

AMENDMENT NO. 2

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER TWO TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT between the Government of the United States of America, acting through the United States Agency for International Development (USAID), and the Government of the Islamic Republic of Afghanistan, acting through the Ministry of Finance (hereinafter referred to as the "Grantee"), dated as of April 6, 2006.

WHEREAS, The Grantee and USAID entered into a Strategic Objective Grant Agreement ("SOAG") for the strategic objective of a better educated and healthier population, USAID Grant Agreement No. 306-07-00 dated September 19, 2005 (capitalized terms not defined in this amendment shall have the meanings ascribed thereto in the SOAG) and subsequently amended such agreement on September 30, 2005 (Amendment No. 1); and

WHEREAS, USAID and the Grantee wish to amend Section 3.1 (a) of the SOAG to increase the USAID contribution by FORTY MILLION FIVE HUNDRED FIFTY-NINE THOUSAND ONE HUNDRED FIFTY-NINE (US) DOLLARS (US\$40,559,159.00);

Therefore Section 3.1(a) of the SOAG is amended as follows:

(a) Section 3.1 (a) is amended by deleting the amount FIFTY MILLION SIX HUNDRED SEVENTY-FOUR THOUSAND NINE HUNDRED SIXTY-NINE AND SEVENTY HUNDRETHS United States ("U.S.") Dollars (\$50,674,969.70) and inserting the amount NINETY-ONE MILLION TWO HUNDRED THIRTY-FOUR THOUSAND ONE HUNDRED TWENTY-EIGHT AND SEVENTY HUNDRETHS (U.S.) DOLLARS (US\$91,234,128.70) in lieu thereof.

All other terms and conditions of the Agreement remain unchanged and in full force and effect. This Amendment is prepared in both English and Dari. In the event of ambiguity or conflict between the two versions, the English language version will control.

IN WITNESS WHEREOF, the United States of America and the Government of the Islamic Republic of Afghanistan, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day, month and vear first written above.

THE UNITED STATES OF AMERICA

THE ISLAMIC REPUBLIC OF AFGHANISTAN

Name: Alonzo L. Fulgham Title:

Director, USAID Mission to

Afghanistan

Hag Ahady Name: Ahwar -ul

Minister of Finance Title: